



Lake Stevens Economic Development Strategy

PREPARED FOR



PREPARED BY



27 SEPTEMBER 2010

What We Heard: Project Goals

- Build fiscal strength—for quality services and infrastructure
- Attract new retail development and sales tax revenue
- Plan for the next generation of development in four key areas:
 - Downtown
 - Frontier Village
 - 20th St SE Corridor
 - Hartford Industrial Area



Project Team



- Urban planning
- Urban design
- Architecture



- Real estate strategy
- Market analysis
- Funding and finance
- Economics and demographics



- Transportation



- Civil engineering
- Stormwater



Project Process



Building Blocks



Building Blocks

- The Strength of Family
- Retail Recapture
- Quality and Controls
- Building Community

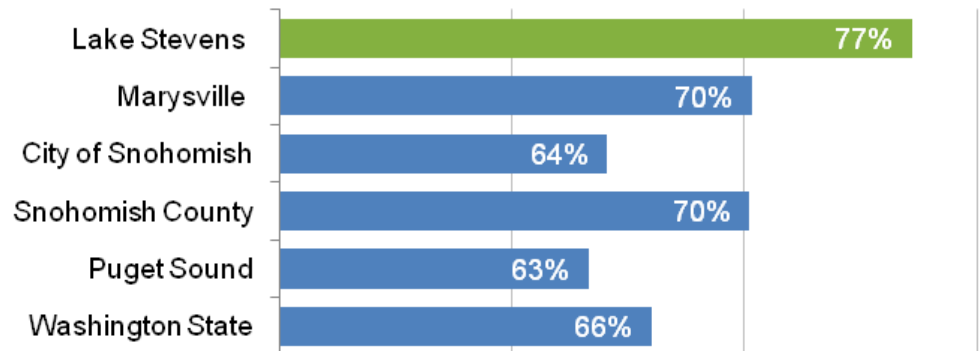


Lake Stevens: A Family Community

- Demographics drive:
 - Public services
 - Schools
 - Parks
 - Library
 - Safety
 - Demand for retail and private services
 - Employment and leadership base
 - Support for City services and capital projects

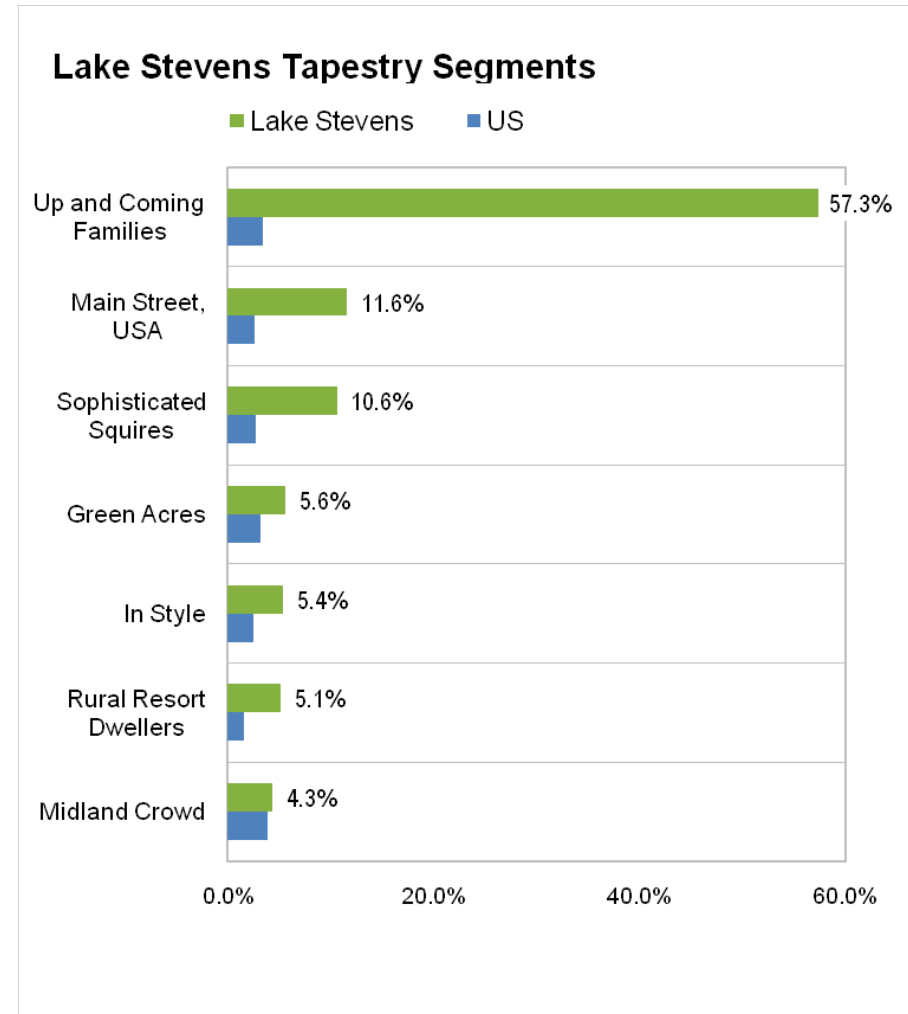


Families as Percent of All Households



Up and Coming Families

- Young parents, young children
- Working parents
- Relatively affluent
- Well-educated
- Budgeting for furniture, kids clothes, minivans
- Entertainment: Family restaurants, zoo, theme parks



The Importance of Family



Economic Development Paradigms

20th Century

Resources Draw People



Resources
Incentives



Factories
Offices



Jobs

21st Century

Place Generates Jobs



Quality of Life
Primary and
Higher Ed.
Community



Desirability
In-Migration

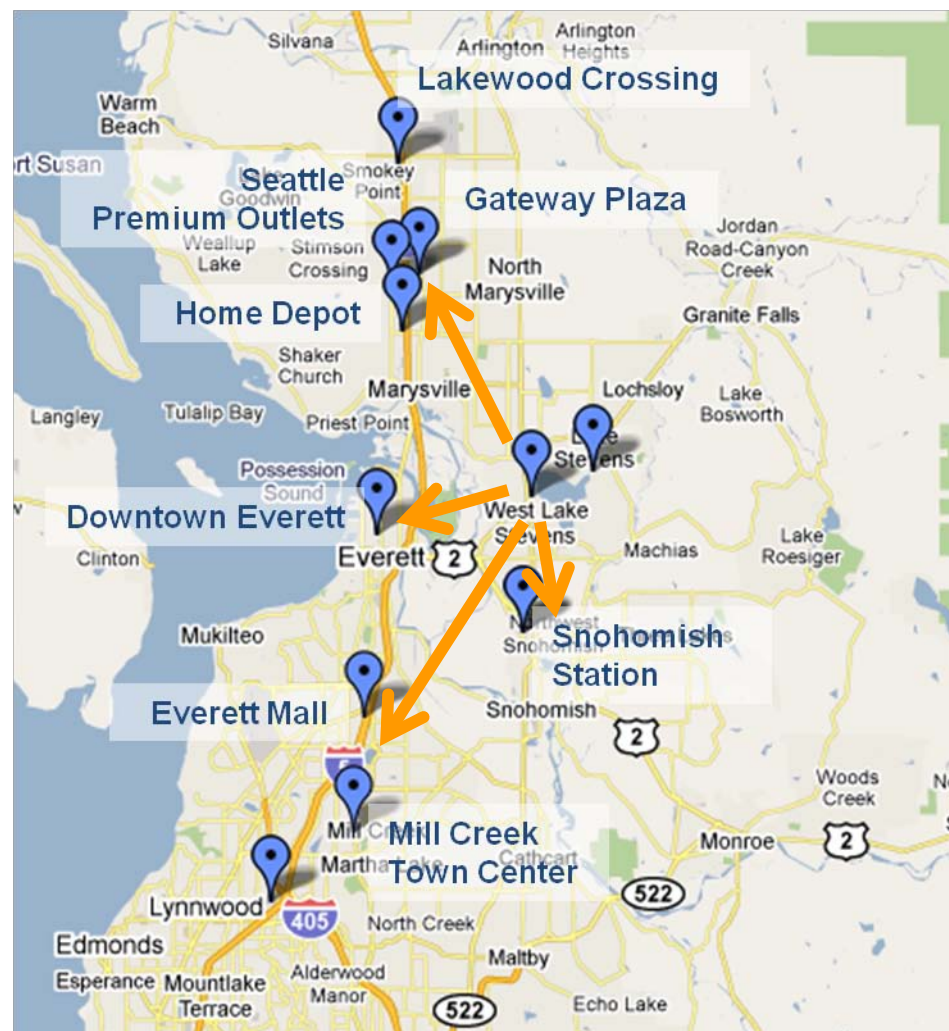


Jobs Follow



Retail Recapture

- Lake Stevens residents are spending retail dollars elsewhere
- Leakage =
 - Demand (potential HH spending)
 - Supply (existing in-store sales)



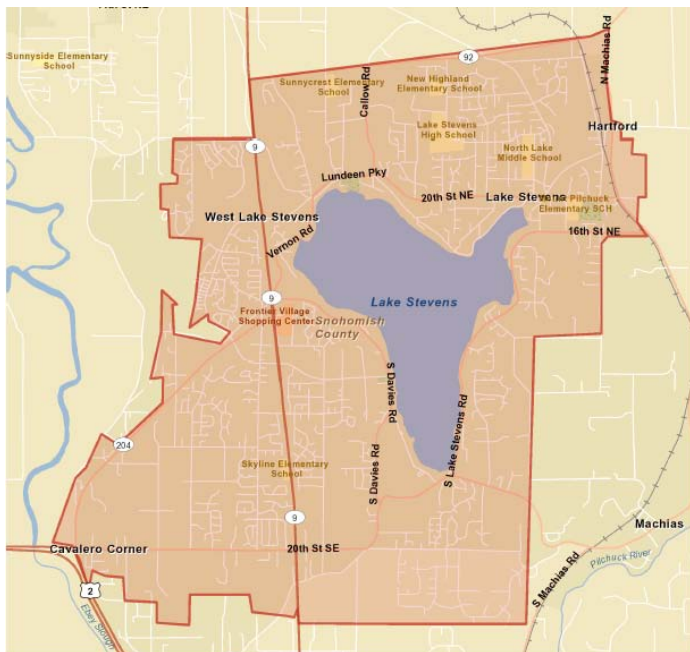
Leakage in Most Retail Categories

- Leakage in key “placemaking” (restaurants) and retail center (clothing) categories



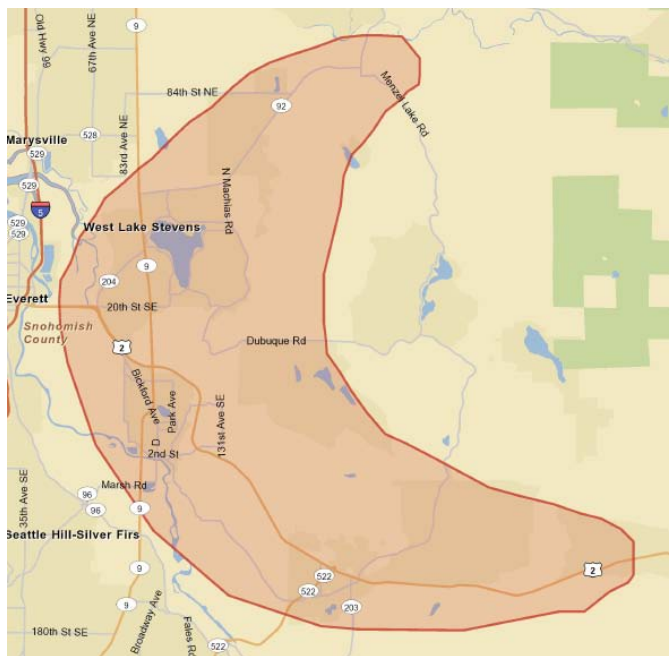
Lake Stevens Market Areas

Primary Retail Market Area



- UGA boundary
- Potential to capture most retail spending
- 28,800 pop in 2010

Secondary Retail Market Area



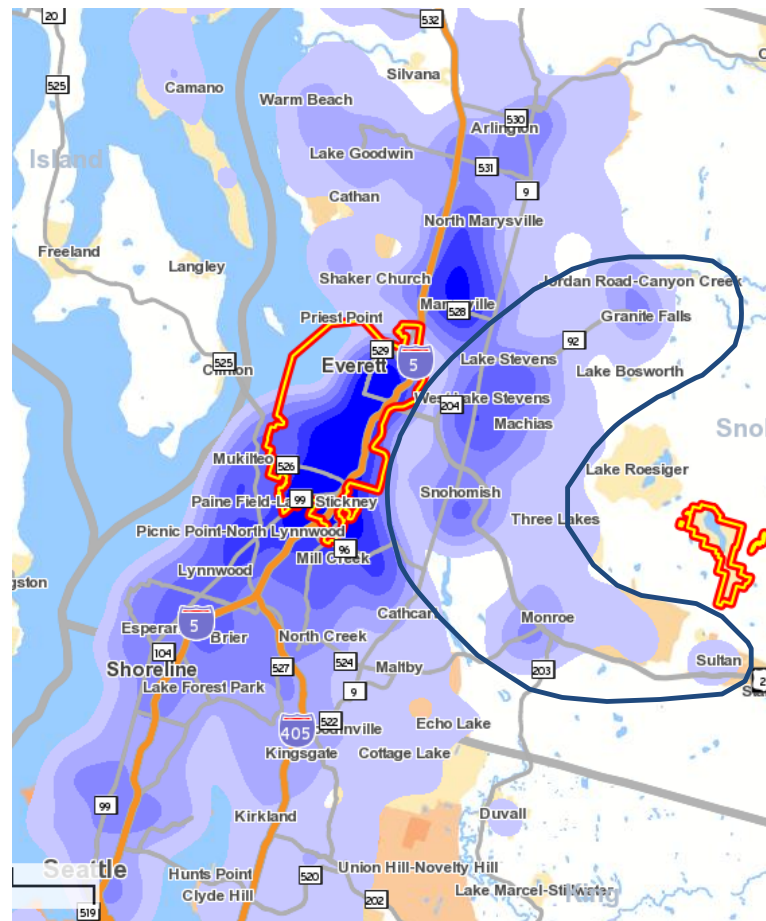
- Potential to capture significant amount of spending, particularly comparison goods
- For these residents, Lake Stevens is more convenient than most other centers west of I-5
- 100,000 pop 2010, 140,000 in 2030



Secondary Retail Market Area

- Residents of the secondary market area already travel through Lake Stevens
- 20,000 – 30,000 trips per day on Hwy 2 & 9

Commute Pattern to Everett

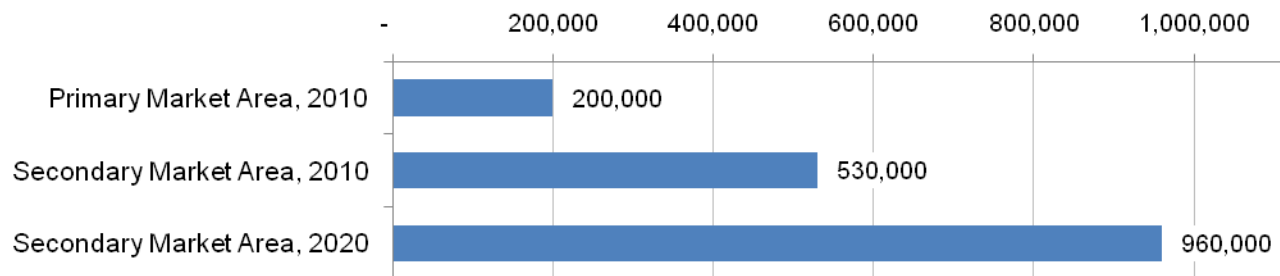


Retail Recapture

- Lake Stevens has significant opportunities to capture new retail!

Gross Leakage by Market Area

Area (square feet)



- Retailers will also be attracted by HH incomes, population growth, and quality of community



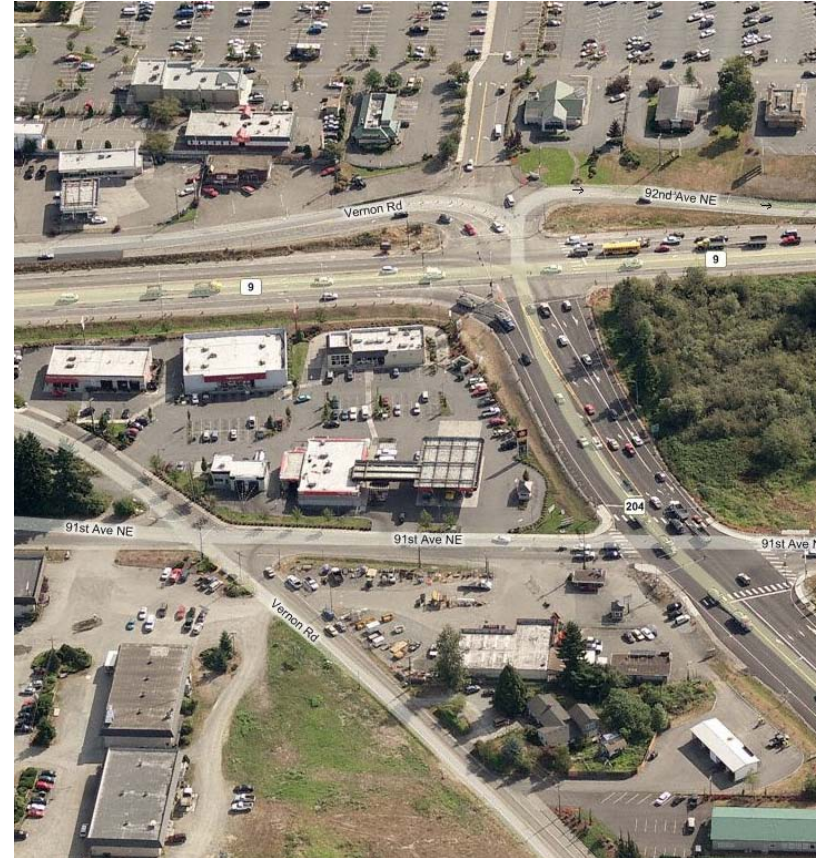
Retail Benefits

- Sales Tax Revenue
- Place Making, quality environments
- Amenity for residents, families
- Increases desirability for employers
- Potential tourism draw



Quality and Controls

- City inherited product from weaker codes
- Codes will need to be strengthened in order to produce high quality environments
- Needed:
 - Revise Zoning Code
 - Establish Illustrated Design Guidelines
 - New zones in some areas



Building Community

Core Values and Beliefs

- Personal safety
- Sense of community/neighborliness
- Maintaining good health
- Financial security
- Having control over essential needs
- Having time/saving time
- Importance of children
- Importance of helping people in need
- Intergenerational responsibility
- Expression of values



Source: Metro (Portland) Values and Investments Survey, 2010.

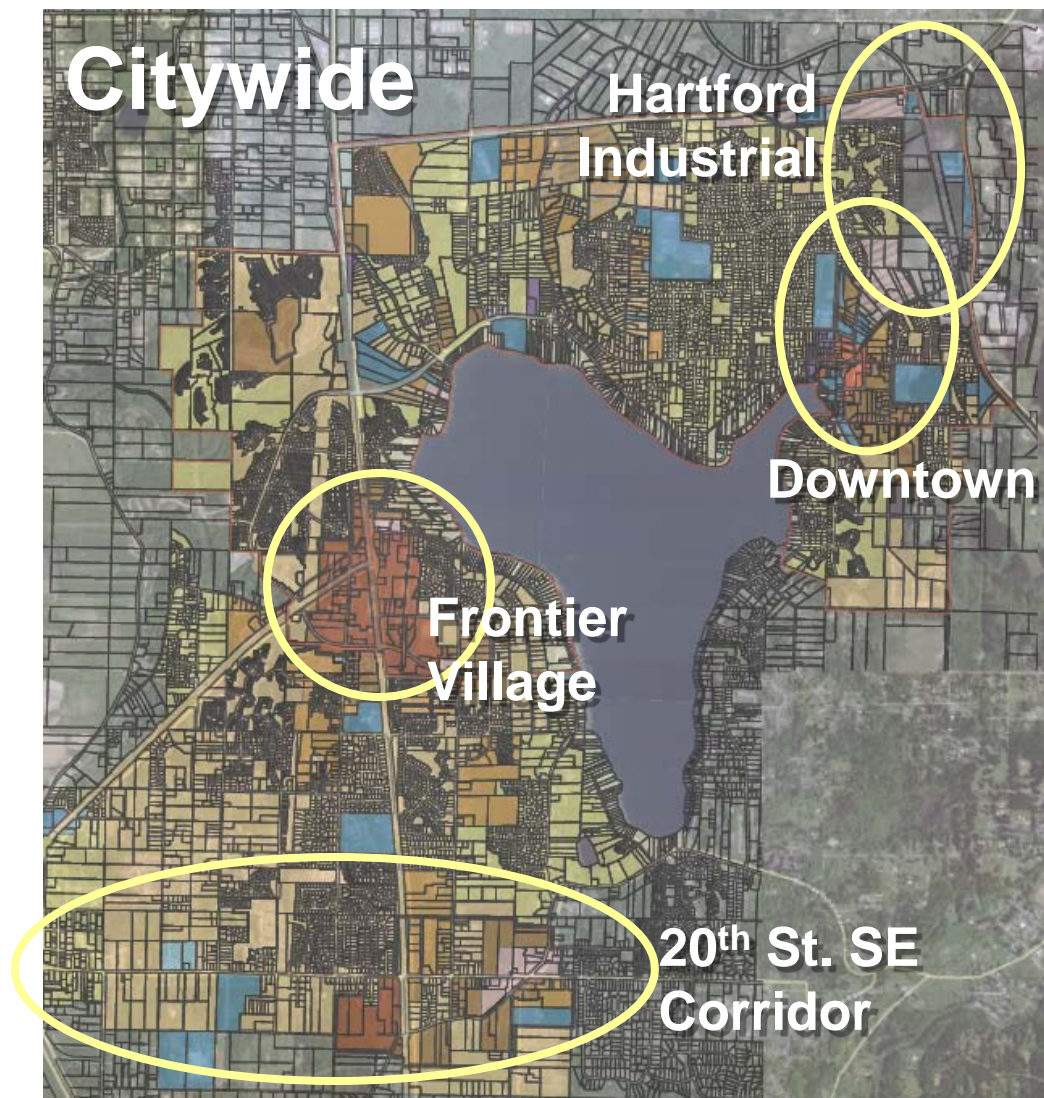


Recommendations



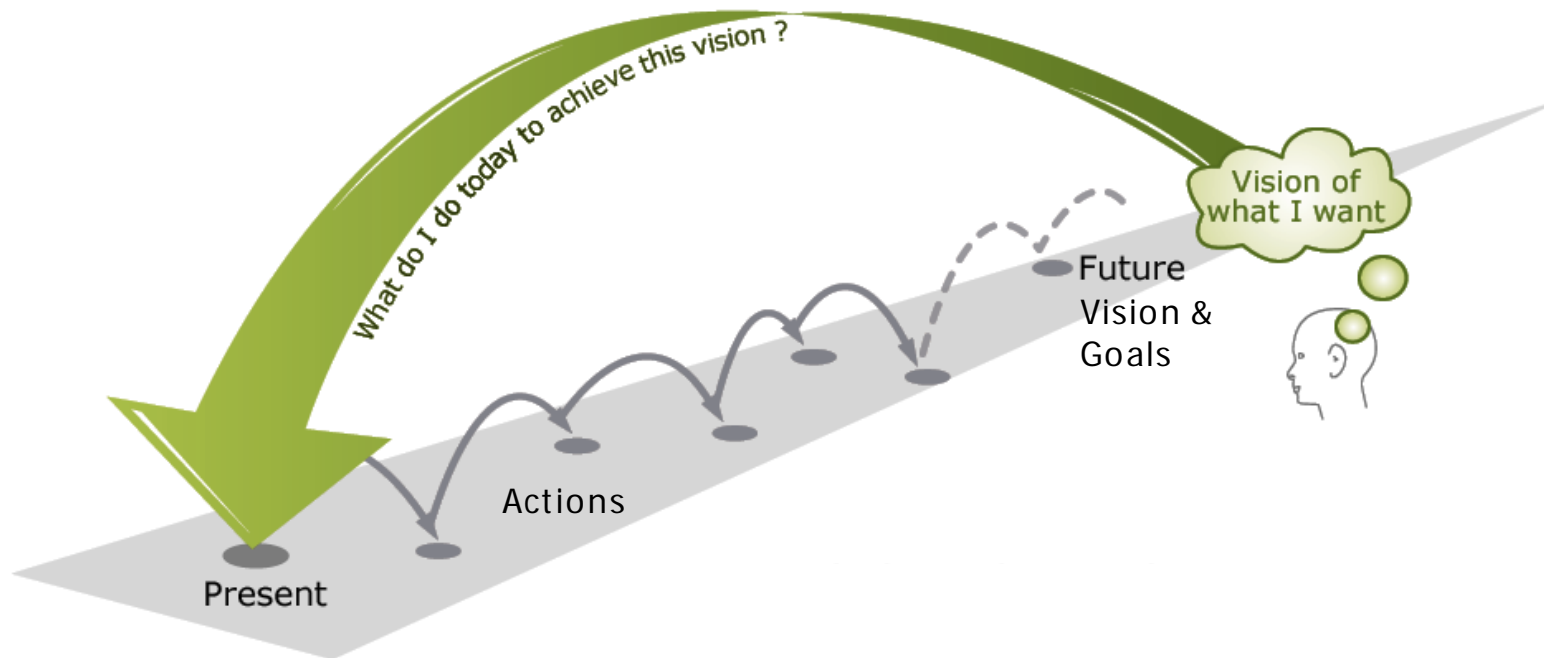
Recommendations

- Five areas:



From Vision to Action: Backcasting

- Start with the Vision
- Backcast to Action Steps



Citywide

VISION

- The region's favorite family-friendly lakeside community!
- A great place to live, do business, shop, visit
- Fiscally strong, able to provide top-quality infrastructure and services
- Excellent access to the outdoors



Citywide

KEY ACTIONS

- Organize and staff for Economic Development
- Review and revise zoning, design guidelines
- Outreach to development community (underway)
- Outreach to public institutions
(Primary and Higher Ed., Library, Healthcare)
- Branding: Refine and implement the
Lake Stevens Vision
- Wayfinding and signage
- Define and strengthen districts
- Pursue annexation (mid or long term)
- Adopt Economic Development Strategy



Action Plan Overview

Area	Priority			Action Plan				Other Immediate Action Items
	V. High	High	Low	Framework Plan	Zoning Revision	PPP Outreach		
Citywide		✓			✓	✓		Branding; wayfinding; Internal organization and staffing; Outreach to public institutions.
Downtown		✓		✓	✓	✓		Public-public partnerships; Civic Campus Plan; Parking/Transportation Plan.
Frontier Village		✓		✓	✓	✓		Maintain WSDOT dialogue.
Hartford			✓					-
20th St. SE Corridor	✓			✓	✓	✓		Property owner outreach, initiate planned action.



Action Plan Detail

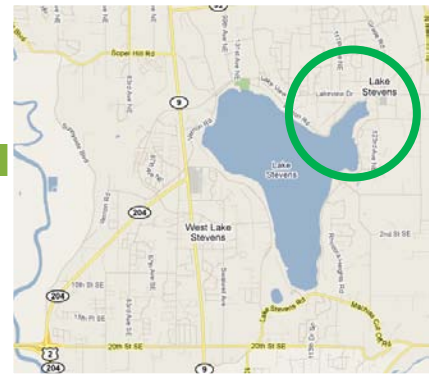
#	Action	Responsibility	Timing			Budget
			S	M	L	
2	Organize and Staff for Economic Development					
	Define council, management staff, and line staff roles for Economic Development.		>			
	Designate an economic development staff manager/point person ("ED Lead"). This could be a staff person or an outsourced relationship.		>			
	Consider renaming "Planning" Department to include Economic Development		>			
	Create an annual and five-year budget for economic development resources (staff time, external contracts, operations and capital projects). The actions in this action plan should be one of the bases for budgeting.		>			
3	Outreach to the Development Community					
	Maintain dialogues with Chamber of Commerce, EDC, PSRC, CTED, etc.		>			
	City staff attend quarterly or bi-annual Chamber of Commerce meetings		>			
	Track and secure regional, state, and federal funding opportunities		>			
	Create Lake Stevens Business Resource Guide for existing and new businesses		>			
	Maintain contact with key property owners (defined by District Framework Plans)		>			
	Conduct outreach to key regional developers		>			
4	Outreach to Public Institutions					
	Lake Stevens School District					
	Create and maintain City-School District Working Group to identify and solve shared challenges, including quality of education, shared use of facilities, transportation, etc.		>			
	Sno-Isle Library					
	Maintain City-Library Dialogue, plan for expanded library in Downtown Framework Plan (more action items in the Downtown section below)		>			



Downtown

VISION

- Continues to be the City's cultural, civic, and historic heart
- Key civic uses remain downtown (city hall, library, post office) while others move
- Waterfront park spaces expanded and upgraded
- Complemented by new retail, restaurants, and housing development



Downtown

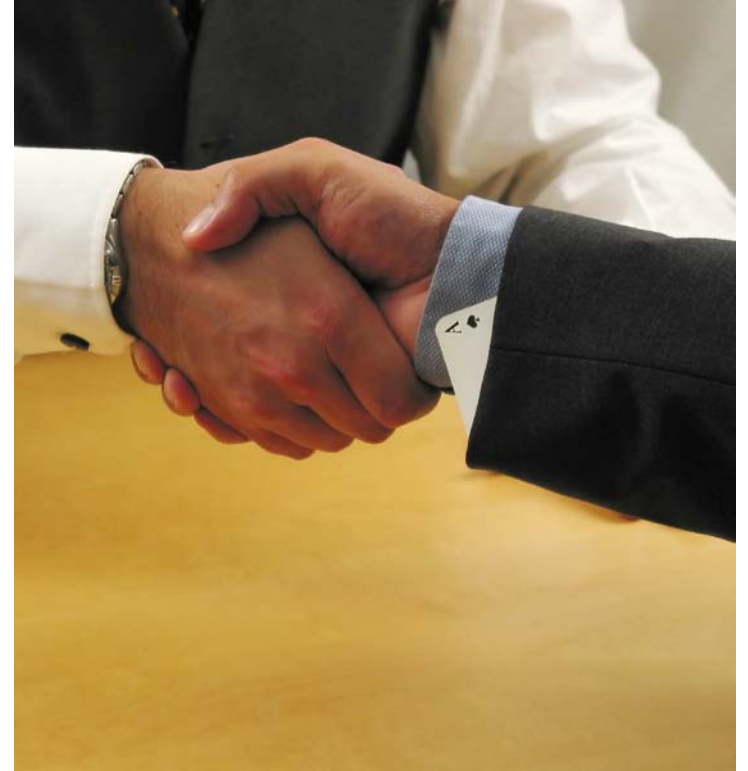
ACTIONS

- Develop a District Framework Plan
 - Consider rebranding as a lakeside village
 - Review Civic Campus planning; keep “active” City functions downtown
 - Plan to expand the waterfront area as a Civic centerpiece.
- Adopt zoning changes per Framework Plan
- Public Private Partnerships
- Parking/Transportation Plan
- Begin preliminary development of Civic Center
 - Possible ILA with library for inclusion in Civic Center
 - Begin discussions with post office to ensure their long-term presence downtown
 - Pursue funding for open space, community uses, or other elements of the project
 - Investigate potential acquisition of sites if necessary, especially along the lakefront



Implementation: Public Private Partnerships

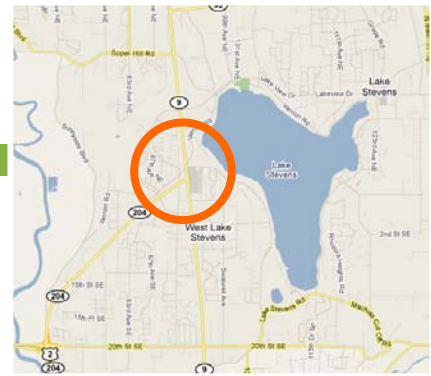
1. Outreach and dialogue
Get to know the development community
2. RFQ – Find your partner
3. MOU – Establish the deal outline
4. Development Agreement –
Create the plan, hammer out the details
5. Ongoing management agreements



Frontier Village

VISION

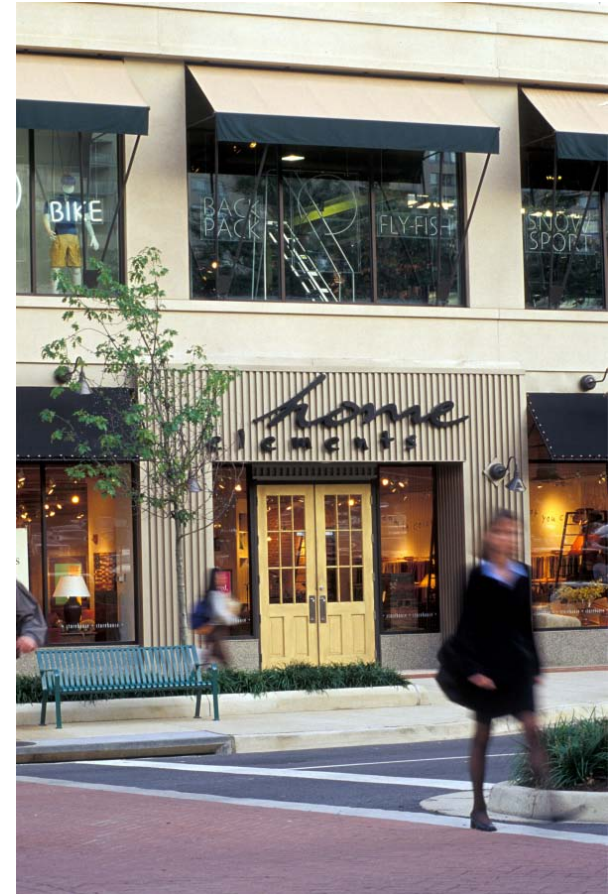
- Short term: Rehab
- Long term: Redevelopment
 - Attractive
 - Key City Gateway
 - Strong sense of place
 - Mixed use including retail, office, housing, healthcare
 - Take advantage of lake and mountain views



Frontier Village

KEY ACTIONS

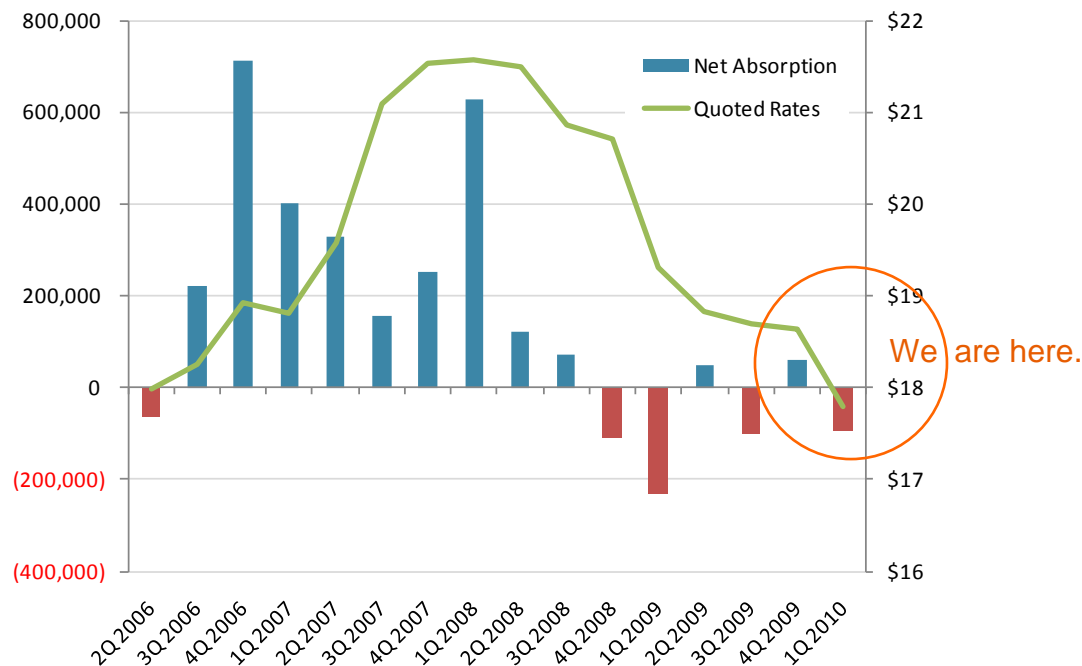
- District Framework Plan
 - Rebrand and rename
 - Identify immediate beautification efforts
 - Introduce housing and other uses to the area
 - Circulation within and between retail centers
- Adopt zoning changes consistent with Framework Plan
- Work with WSDOT to create plan that improves transportation *and* place
- Establish dialogue with key property owners



Real Estate Market

- Most development stalled, 2009 – 2011
- Healthcare, senior housing, some apartments and retail still alive
- Major retail developer: 150 million SF, 0 SF under development

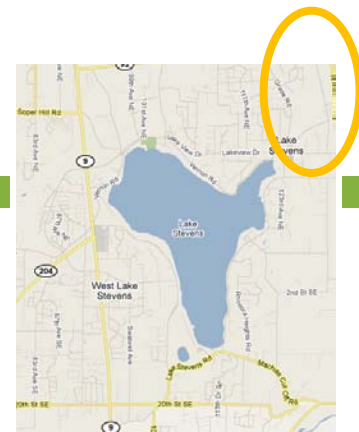
Retail Lease Rates and Absorption, Northend Puget Sound, 2006 - 2010



Hartford Industrial Area

VISION

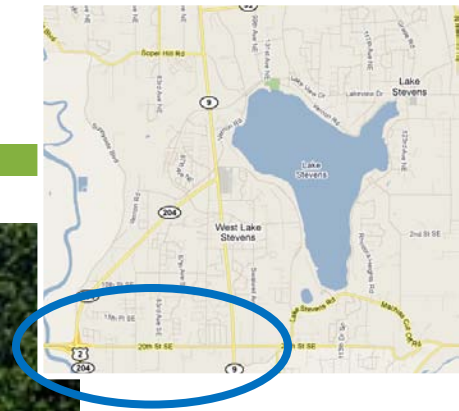
- The area maintains its current mix of business and industry
- Some incremental change occurs naturally, with minimal or no investment made by the City



20th St. SE Corridor

VISION

- Modern, mixed use corridor
- Mostly high-quality office, employment
- Two or more retail/mixed use nodes



20th St. SE Corridor

ACTIONS

- District Framework Plan
 - Rebrand and rename
 - Refine uses, densities, character, and location
 - Identify pulse points
 - Identify necessary public investments (planning and infrastructure)
- Preserve employment sites
- Work with County to ensure completion of 20th Street improvements



20th St. SE Corridor

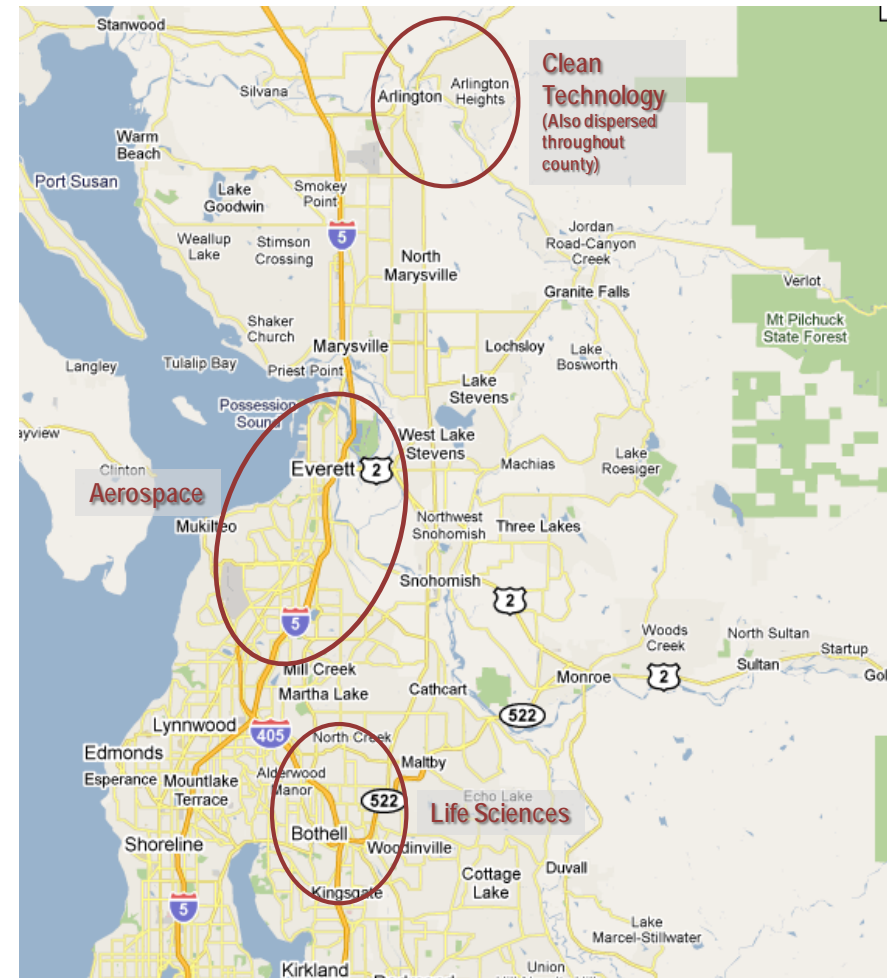
ACTIONS continued

- Dialogues with property owners, developers, retailers
 - Determine interest and willingness to develop
 - Cultivate partnerships
 - Create preliminary cost-sharing model
- Establish binding development agreements with key partners
 - Tie infrastructure investment to specific development
- Initiate Planned Action/EIS
 - Uses (type, scale, location, etc)
 - Impacts and mitigation measures
 - Adopt Planned Action ordinance



20th St SE: Employment Drivers

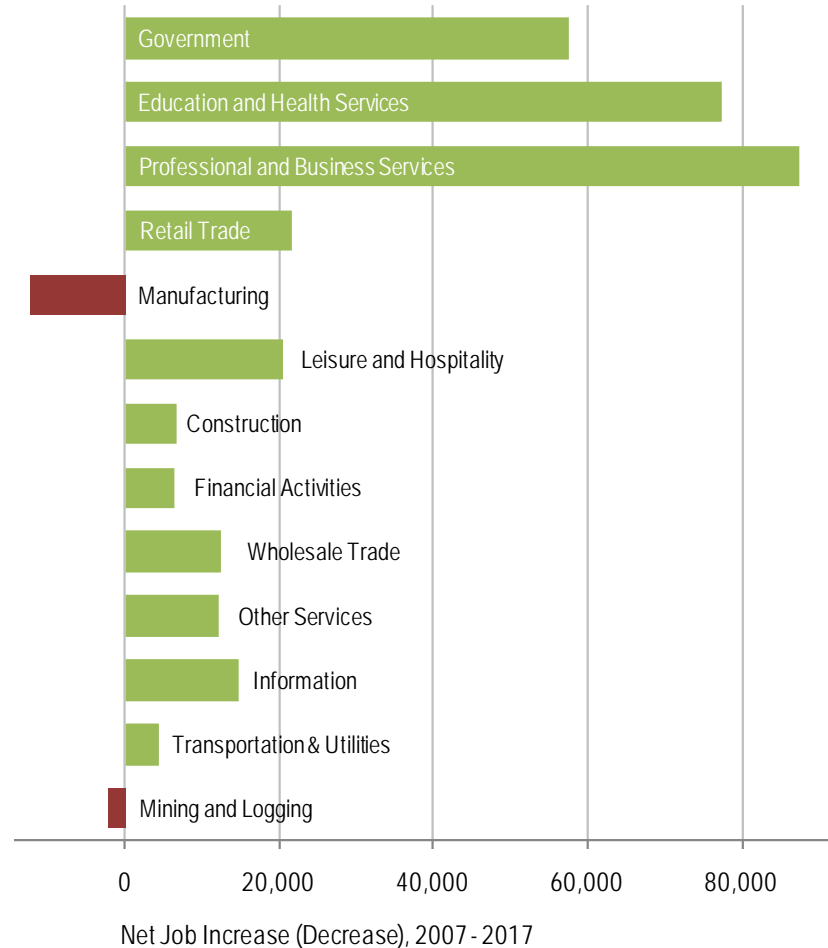
- Focus on
 - Bus. executives already living in Lake Stevens
 - Aerospace
 - Clean Tech/Alternative Energy
 - Life Sciences
 - Outdoors goods and services
 - Other WA State clusters
 - Information technology
 - Logistics and trade
 - Electronic shopping
 - Value added manufacturing
 - Military



20th St SE: Employment Drivers

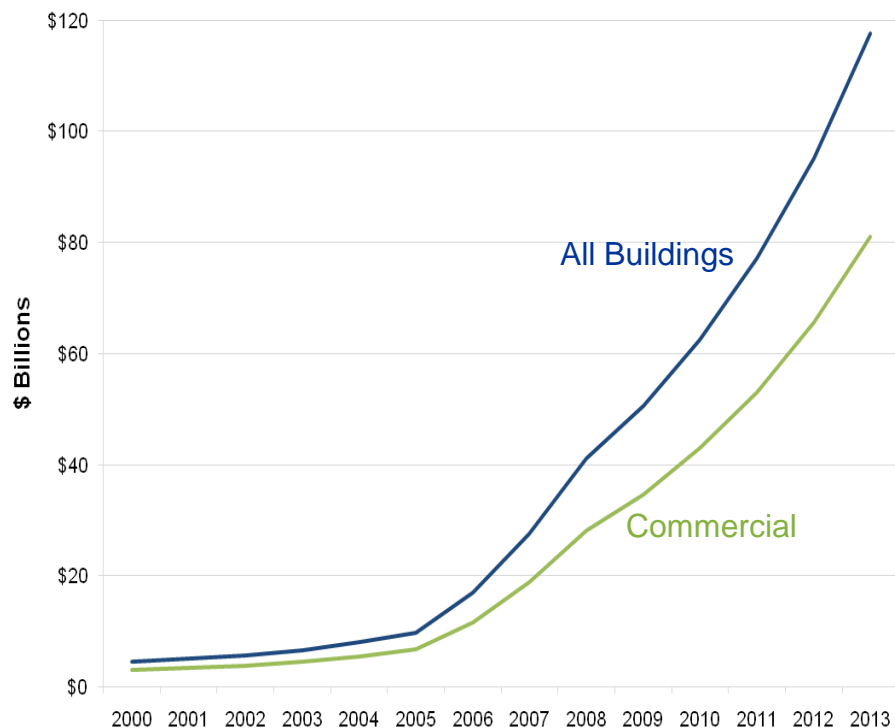
- Boom industries:
 - Professional services
 - Health care, education
- White collar jobs
 - Fastest growing
 - Pay best
 - Require BA+

Washington State Employment Change, 2007 - 2017



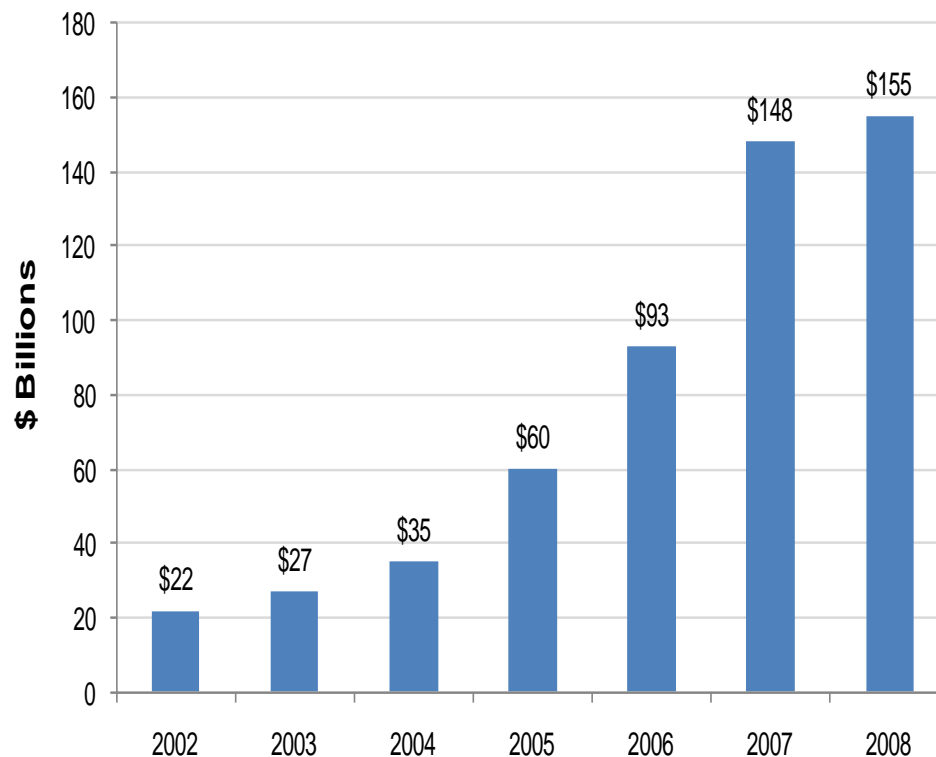
The Value of Green

Value and Economic Impact, US Green Construction



Source: US Green Building Council.
Includes construction, maintenance, and other economic impacts.

Annual New Investment in Sustainable Energy – Worldwide



Source: United Nations Environment Program.



Next Steps



Project Process



District Framework Plans

- Framework Plans
 - Narrative, maps, images
 - Development character and program (Uses, scale, locations, character, phasing)
 - Districts, subdistricts, and purposes
 - Street Typologies
 - Public Spaces and Pedestrian Connections
 - Green Infrastructure Concept
 - General Development Concept
 - Implementation Recommendations
Urban design, regulatory, real estate, other
- Community Check-in
 - Public Open House
 - City Website
- Presentations
 - City Council and Planning Commission
 - Community
- Groundwork, not substitute, for Subarea Plan



Building Blocks

- The Strength of Family
- Retail Recapture
- Quality and Controls
- Building Community



Citywide and District Visions

Citywide

- Puget Sound's favorite family-friendly lakeside community

Downtown

- The City's cultural, civic, and historic waterfront heart

Frontier Village

- Redeveloped into an attractive, mixed-use village

Hartford Area

- Maintains current character

20th Street SE Corridor

- A modern, mixed-use corridor led by employment development and retail pulse points





LELAND CONSULTING GROUP

People Places Prosperity

Portland | Bend | Seattle | Texas | New York

503.222.1600

www.lelandconsulting.com

Development Advisors to the Public and Private Sectors